FIVESTAR
COMPUTERS

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FIVESTAR COMPUTERS COMPANY BACKGROUND

CARROLLTON, TX, June 13, 1988 -- FIVESTAR Computers is one of
the fastest growing computer companies in the U.S. today.
Dedicated to producing well-engineered, high-performance
personal computer products, FIVESTAR has achieved record
sales and rapidly expanded its work force and facilities
since its founding in 1985.

Starting as a computer distributor, the company broadened its
focus in late 1985 and began configuring computers "to order"
for its customers. In 1986, FIVESTAR standardized its supply
sources and intensified quality assurance, ensuring top
quality and fully compatible products. Seeing a well defined
market for compatible suppliers, fueled by IBM's announcement
of its PS/2, in 1987 FIVESTAR decided to sell directly to
corporations, through the retail market and direct response.

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Focusing on quality, performance, service, and price,
FIVESTAR has experienced rapid growth and success, with sales
more than doubling every year. With the decline in brand
loyalty, the reality of more sophisticated personal computer
buyers, and FIVESTAR'S ability to offer products with better
performance than brand name sellers at lower prices, FIVESTAR
has become a major supplier of PC compatible products.

FIVESTAR manufactures its computers at its Dallas, Texas-
based headquarters. All development, production, technical
service and support occurs at this facility, as does
warehousing, shipping, and other corporate functions.

FIVESTAR has a balanced distribution approach and markets
to corporations through inside and outside sales, national
bids, and two retail showrooms. FIVESTAR has toll free
telephone lines for sales, service, and support. FIVESTAR's
highly knowledgeable sales staff assist customers in
selecting the best system for their needs.

Every FIVESTAR computer system is fully tested and certified
with a comprehensive 48-hour burn-in before shipment.
Each system comes with a one-year on-site service agreement
which covers all parts and labor. An Operations Guide is

also included. FIVESTAR also offers nationwide leasing with
100% financing, which covers all costs including taxes and
delivery.

PRODUCT LINE

FIVESTAR offers a full line of personal computer products
which incorporate the latest technology. Currently FIVESTAR
offers five desktop models--XL/10, 286/10, 386/20, FS286, and
FS386--and various peripherals, interface cards, and
software. FIVESTAR only offers high quality, reliable
products from vendors such as Seagate, Paradise, Hercules,
and Panasonic.

XL/10

The XL/10 is an XT compatible computer offering enormous
performance advantages at an attractive price. Fully
operational with readily available industry standard
software, the XL/10 is targeted for business and personal
use. It has dual selectable speeds of 4.77 and 10MHz,
providing flexibility with today's applications. The XL/10
is a feature rich system, with 640KB of RAM, 5.25-inch 360KB
diskette drive, 101-key keyboard, parallel, serial, and game
ports, clock/calendar. It is available in several different

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video and storage configurations. Video combinations include
monochrome, CGA, EGA, and VGA; both 20MB and 40MB hard disks
are available.

286/10

The 286/10 is based on an 80286 microprocessor, with user
selectable speeds of 6 and 10MHz, 0 wait state, and is
totally AT compatible. This system has an impressive
Landmark rating of 13.3MHz, and offers superior performance.
It will run virtually any IBM compatible software package.
The 286/10 is equipped with 640KB of RAM; 5.25-inch 1.2MB
diskette drive; 101-key keyboard; clock/calendar; parallel,
serial, and game ports; eight expansion slots; activity panel
lights; and 250 watt power supply. Peripheral video options
include a monochrome, EGA, or VGA display combination; hard
disk options include 20MB, 40MB, or 80MB drives.

386/20

FIVESTAR's fastest system, the 386/20, uses a 32-bit 80386
microprocessor. This powerful AT compatible system has
the flexibility needed to run today's advanced applications.
It offers dual speeds of 6 or 20MHz, operating a 0 wait
state, plus 1MB of 32-bit RAM and 64KB of cache memory. It
yields an incredible Landmark rating of 30MHz. Standard

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features include a 5.25-inch 1.2MB floppy disk drive, 101-key
keyboard, serial, parallel, and game ports, eight expansion
slots, panel activity lights, and a 250 watt power supply.
Options for the 386/20 include monochrome, EGA, or VGA
display combinations, plus 40MB, 80MB, or 160MB hard disk
drives.

FS (FILESERVER) SERIES

In addition to the XL/10, 286/10, and 386/20, which
incorporate standard motherboard designs, FIVESTAR has two
products, the FS286 and FS386, which utilize an advanced
backplane or open slotcard technology. Allowing for maximum
expandability, these computers are adaptable to the changing
needs of the user. They are ideal as a network server, or as
a superior standalone workstation.

The FS286 runs under a 16-bit 80286 microprocessor, with the
CPU card plugged into one of the 12 expansion slots. Other
features include switchable speeds of 6 or 10MHz, 640KB of
RAM, 5.25-inch 1.2M floppy disk drive, 101-key keyboard,
clock/calendar, 2 serial ports, parallel port, and a 238 watt
power supply.

The FS386, FIVESTAR's most powerful computer system, is a
high-powered business system, unmatched in today's market.
It runs under a 32-bit Intel 80386 microprocessor, with

selectable speeds of 6 or 20MHz, operating at 0 wait state.
The entire CPU is on a standard interface card plugged into
one of the 12 expansion slots. This sophisticated computer
system also provides 2MB of memory, expandable to 16MB of 32-
bit memory; 5.25-inch 1.2MB floppy disk drive;
clock/calendar; enhanced 101-key keyboard; serial and
parallel ports; and a 238 watt power supply.

Both the FS286 and FS386 can be configured with a variety of
display combinations including a monochrome, EGA, or VGA
adapater card and monitor. Storage options for this series
include 40MB, 80MB, and 160MB hard disks.

MANAGEMENT

FIVESTAR Computer's executive management is comprised of
a team of talented individuals who have vast computer,
electronics, and strong business experiences.

Jhon Cybuski is co-founder and President of FIVESTAR.
Mr. Cybuski's former accomplishments include the design and
set-up of Tandy's first TRS-80 manufacturing facility in Ft.
Worth, TX; top national salesperson for almost four years at
Tandy's Computer Centers; and National Sales Manager with
Computer Mate, a regional computer distributor.

Tom Dodson is co-founder and Executive Vice President of
FIVESTAR. Prior to joining FIVESTAR, Tom was President of
DalTex Electronics and PC Peripherals. Mr. Dodson is
responsible for FIVESTAR's product offering, marketing, and
sales.

Lance Huff joined FIVESTAR in November 1985 as Vice
President. Mr. Huff came to FIVESTAR from Cole Computer
Company, which he had started and operated for three years.

Michael Ross, Vice President of Finance and Controller,
joined FIVESTAR in early 1987. Earlier, Mr. Ross served as a
Controller at a local Dallas firm, and also worked at Ernst &
Whinney, a public accounting firm.